



Critical Investments: Setting Government Straight

Gov. Perdue's budget reinforces her commitment to setting government straight by demanding higher ethical standards for public officials and state employees and making government more efficient, accountable and transparent. This budget reduces or eliminates more than 70 programs that are duplicative, costly, inefficient or nonessential, saving taxpayer's \$190 million. The budget also ensures North Carolina's fiscal security by earmarking \$100 million to replenish the state's Rainy Day Fund.

Some highlights:

Ethics Reform

- Additional funding for the State Ethics Commission to ensure good government practices including an online personal financial interest disclosure system.
- Additional funding for the State Board of Elections to support campaign finance software that will improve the ease and reliability of filing, reporting and auditing campaign finance disclosure reports. Includes hiring of an additional attorney position for the Campaign Finance Division.
- Funding to archive cabinet agency emails as public records for 10 years.

Increasing Efficiency and Reducing Waste

- Funding for the Department of Revenue to target corporations that have outstanding tax liabilities. The initiative is expected to collect an estimated \$110 million in additional tax revenue.
- Reduce spending by \$20.5 million by linking inmate medical costs to the Medicaid fee schedule.
- Implementation of an electronic payment system for child care subsidy services will save almost \$9.3 million.
- The budget begins the elimination, consolidation and centralization of North Carolina's 342 boards and commissions and takes steps to continue the process of consolidating executive branch agencies and services.



Gov. Perdue's FY 10-11 Budget Proposal

Medicaid Fraud, Waste and Abuse

- Gov. Perdue's crackdown on Medicaid fraud, waste and abuse is estimated to save over \$35 million in 2010-11. Specific actions include establishing Medicaid SWAT teams that complete on-site investigations, using innovative technology to detect fraud and hiring the personnel to prosecute fraud.
- Funding to mandate prepayment reviews for questionable providers to stop fraud and abuse before it happens.
- Locking narcotics users into a single pharmacy and single doctor to prevent pharmacy/doctor shopping and narcotics abuse will result in \$603,000 in savings.

Rainy Day Fund

- \$101.5 million to replenish the state's Rainy Day Fund.